



<i>Reference number</i>	
<i>Approved by</i>	Audit and Governance Committee
<i>Date approved</i>	12 March 2010
<i>Version</i>	1.0
<i>Last revised</i>	12 March 2010
<i>Review date</i>	12 March 2012
<i>Category</i>	Corporate Governance
<i>Owner</i>	Chief Internal Auditor
<i>Target audience</i>	All Council staff

Anti-fraud and Anti-corruption Policy

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1. Introduction

- 1.1 One of the basic principles of public sector organisations is the proper use of public funds. It is therefore important that all those who work within the Council or in partnership with the Council are aware of the risk of fraud and the means of enforcing the rules against fraud and corruption. It is in the interest of the Council and staff that these principles are upheld.
- 1.2 Whilst the need for an Anti-Fraud and Corruption Policy is self evident, it is equally important to emphasise the faith the Council places in the integrity and honesty of all its staff.
- 1.3 All Members and staff are expected to be aware of standards of conduct and the procedures designed to reduce the risk of fraud and corruption occurring.
- 1.4 All staff shall be responsible for their own conduct, with managers being additionally responsible for maintaining appropriate internal checks and control procedures within their service area.
- 1.5. Fraud and Corruption risks will be considered as part of the Council's Strategic Risk Management arrangements

2. Culture

- 2.1 The Council is determined that the culture and tone of the organisation is one of honesty, openness and opposition to fraud and corruption. The Council will not tolerate fraud or corruption of any form or degree in the administration of its responsibilities whether from inside or outside the council.
- 2.2 There is an expectation that and requirement that all individuals and organisations associated in whatever way with the Council will act with integrity and that members and staff at all levels, will lead by example.
- 2.3 The Councils staff are an important element in its stance on fraud and corruption and are positively encouraged to raise any concerns that they may have on these issues where they are associated with the Council's activity. This they can do in the knowledge that such concerns will be treated in confidence and properly investigated.
- 2.4 Employees should normally raise concerns with their immediate manager or that manager's manager. This depends, however on the seriousness of the issues involved and who is suspected of the malpractice. If staff believe that their management is involved they should approach:
 - i. The Chief Executive – Tel. No. 01432 260044
 - ii. The Deputy Chief Executive – Tel. No. 01432 260037
 - iii. The Director of Resources – Tel. No. 01432 383519
 - iv. The Assistant Chief Executive Legal and Democratic- Tel. No. 01432 260200
- 2.5 The Council also discourages anybody who has reasonably held suspicions from doing nothing, trying to investigate the matter themselves, approaching or accusing the individual themselves. Any of these actions could result in any counter fraud investigation being compromised.

- 2.6 Senior Management are responsible for following up any allegation of fraud or corruption and will do so in line with the Council's Financial Regulations.
- 2.6 Senior Management are expected to deal swiftly and firmly with those who have defrauded the Council or who are corrupt.
- 2.7 There is a need to ensure that any investigation process is not misused and therefore, any abuse such as raising unfounded malicious allegations will be dealt with as a disciplinary matter.

3. Prevention

- 3.1 The Council recognises that a key preventive measure in the fight against fraud and corruption is the taking of effective steps at the recruitment stage to establish, as far as possible, the previous record of potential staff, in terms of their propriety and integrity. In this regard temporary and contract staff will be treated in the same manner as permanent staff,
- 3.2 All Council staff are expected to abide by the Council's Code of Conduct which sets out the Council's requirements on personal conduct.
- 3.3 The Council will regularly review and keep its Disciplinary Procedures up to date and in line with good practice.
- 3.4 The Council has Standing Orders for the Regulation of Contracts, Financial Standing Orders and Financial Regulations in place that provide a lead and requirement on staff ,when dealing with the Council's affairs to act in accordance with best practice.
- 3.5 The Director of Resources will ensure that Financial Standing Orders and Financial Regulations are kept up to date and made available to all staff.
- 3.6 The Assistant Chief Executive Legal and Democratic will ensure that the Code of Conduct and Standing Orders for the Regulation of Contracts are up to date and made available to all staff.
- 3.7 The Council has developed and is committed to continuing, with systems and procedures that incorporate efficient and effective internal controls, which include adequate separation of duties wherever possible. It is required that the Deputy Chief Executive, Directors, Assistant Directors and Heads of Service and other key managers will ensure that such controls, including those in a computerised environment are properly maintained. Their existence and appropriateness will be independently reviewed by the Council's internal Audit Service.
- 3.8 The Deputy Chief Executive, Directors, Assistant Directors and Heads of Service and other key managers will complete quarterly Assurance Statements.
- 3.9 The Council will work with the Primary Care Trust and NHS Trust to develop where possible a joint approach to antifraud activity.

4. Detection

- 4.1 The Deputy Chief Executive, Directors, Assistant Directors, Heads of Service and other key managers shall ensure that internal control is implemented and maintained and will report any matters where internal control has failed to the Chief Internal Auditor.
- 4.2 Internal Audit shall from time to time, inspect systems to give assurance to the Audit and Governance Committee that internal control is adequate and operating satisfactorily.
- 4.3 Herefordshire Council will take part in National Fraud Initiative operated by the Audit Commission.
- 4.4 The Audit and Governance Committee will review and approve as part of the Annual Audit Plan the Internal Audit programme for fraud prevention and detection work.

5. Investigations

- 5.1 Internal Audit will ensure that there is a procedure that can be implemented to ensure that all evidence is correctly obtained, stored and recorded.
- 5.2 Depending on the nature and anticipated extent of the allegations, Internal Audit will normally work closely with management and other agencies to ensure that all allegations and evidence is properly investigated and reported on.
- 5.3 When undertaking fraud investigations, Council investigators will observe the Police and Criminal Evidence Act Codes of Practice.

6. Discipline and Prosecution

- 6.1 The Council's Disciplinary Procedures will be used where the outcome of any investigation indicates improper behaviour.
- 6.2 The Director of Resources is responsible for deciding in consultation with the relevant member of Joint Management Team as appropriate, whether any matter under investigation should be referred for police investigation and take recovery action as appropriate on such matters.

7. Housing Benefit Fraud

- 7.1 The Audit and Governance Committee will approve annually a:-
 - i. Statement of Intent.
 - ii. Benefit Antifraud Code
 - iii. Benefit Antifraud Strategy
 - iv. Benefit Fraud Prosecution Policy.

8. The Council's Equal Opportunity Policy

- 8.1 All investigations, internal procedures and codes of conduct will comply with and take account of Herefordshire Council's Equal Opportunity Policy.

9. Data Protection

- 9.1 The Council will share any personal data with the police or any other body in connection with the detection, investigation or prosecution of fraud in line with the Data Protection Act 1998.

If you would like help to understand this policy or would like it in another format or language please call Tony Ford – Chief Internal Auditor on 01432 260425

